

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814



June 19, 1980

ALL-COUNTY INFORMATION NOTICE I-64-80

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY ADMINISTRATIVE OFFICERS
ALL FAMILY SUPPORT COUNCILS

SUBJECT: FISCAL IMPACT OF CENTRALIZED DELIVERY SYSTEM ON COUNTY
BUDGETING PROCESS

This is to clarify the fiscal impact of the Centralized Delivery System (CDS) project on the county budgeting process over the next few years.

1980-81

There will be no impact on any county budget as a result of CDS for the 1980-81 fiscal year. During this period, the CDS Project will be finalizing program requirements, analyzing alternatives, preparing the Feasibility Study Report and beginning the Preliminary Design.

1981-82

During the 1981-82 fiscal year, one to three counties will be selected to pilot the SPAN System. Since pilot operations will begin in October 1981, and continue for fifteen months, and since the pilot phase will utilize a modular approach, it is anticipated that the pilot count(ies) will continue to run their existing systems in a parallel mode until at least June 30, 1982. Since state and federal funds will pay for pilot operations, and since parallel operations will continue to be funded as they always have, it is anticipated that there will be no fiscal impact on any county in 1981-82 as a result of SPAN.

1982-83 and Beyond

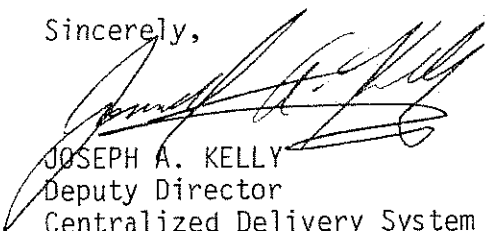
The impact in 1982-83 and 1983-84 will be addressed in the SPAN Feasibility Study Report which will be released in January 1981. This report will contain estimates of the administrative and program savings/costs resulting from SPAN.

In addition, clarification of the \$14.7 million annual savings estimate contained in several earlier reports has been requested. This figure is a preliminary estimate based on the concept proposed for SPAN. It was derived by comparing the 1977-78 actual costs for the functions contained in the SPAN

concept with the estimated costs of performing these functions under SPAN. No budgetary decisions should be based on this estimate due to its preliminary nature. After the SPAN configuration which will be proposed in the Feasibility Study Report is determined, it will then be possible to develop estimates upon which such decisions can be made.

Should you have any questions, or concerns regarding this notice, please contact me at (916) 322-7443.

Sincerely,



JOSEPH A. KELLY
Deputy Director
Centralized Delivery System
Division

cc: CWDA